

Audited Financial Statements of

**School District No. 84 (Vancouver Island West)**

June 30, 2014

# School District No. 84 (Vancouver Island West)

June 30, 2014

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# School District No. 84 (Vancouver Island West)

## MANAGEMENT REPORT

Version: 1891-1146-8163

### Management's Responsibility for the Financial Statements.

The accompanying financial statements of School District No. 84 (Vancouver Island West) have been prepared by management in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of British Columbia, supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.


Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and reliable financial information is produced.

The Board of Education of School District No. 84 (Vancouver Island West) (called the "Board") is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial statements on a monthly basis and externally audited financial statements yearly.

The external auditors, Moeller & Company Chartered Accountants, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of School District No. 84 (Vancouver Island West) and meet when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the School District's financial statements.

On behalf of School District No. 84 (Vancouver Island West)

Carol Donaldson

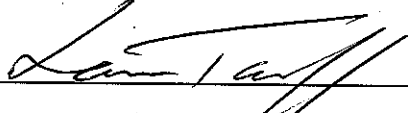


September 8, 2014

Signature of the Chairperson of the Board of Education

Date Signed

Lawrence Tarasoff

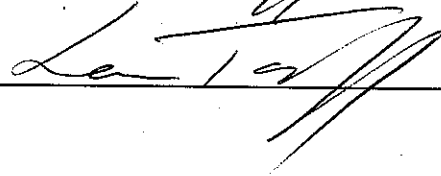


September 8, 2014

Signature of the Superintendent

Date Signed

Lawrence Tarasoff



September 8, 2014

Signature of the Secretary Treasurer

Date Signed

# MOELLER & COMPANY

## CHARTERED ACCOUNTANTS

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\* Incorporated Professional

### INDEPENDENT AUDITORS' REPORT

To the Board of Education of School District No. 84 (Vancouver Island West)  
To the Minister of Education, Province of British Columbia

We have audited the accompanying financial statements of the School District No. 84 (Vancouver Island West), which comprise the statement of financial position as at June 30, 2014, the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of these financial statements in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.


#### *Opinion*

In our opinion, the financial statements of the School District No. 84 (Vancouver Island West) as at June 30, 2014 and for the year then ended are prepared, in all material respects, in accordance with the accounting requirements of Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia.

#### *Emphasis of Matter*

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which describes the basis of accounting and the significant differences between such basis of accounting and Canadian Public Sector Accounting standards.

Campbell River, Canada  
September 8, 2014

  
Chartered Accountants


# School District No. 84 (Vancouver Island West)

Statement of Financial Position  
As at June 30, 2014

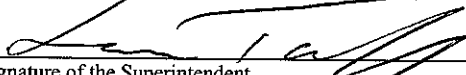
	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$
<b>Financial Assets</b>		
Cash and Cash Equivalents	2,552,171	3,298,537
Accounts Receivable		
Due from LEA/Direct Funding	732,804	-
Other (Note 3)	85,639	569,516
<b>Total Financial Assets</b>	<u>3,370,614</u>	<u>3,868,053</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities		
Due to Province - Ministry of Education (Note 4)	105,983	-
Other (Note 4)	706,711	1,102,940
Deferred Revenue (Note 5)	250,938	323,615
Deferred Capital Revenue (Note 2d & 5)	14,732,115	14,963,529
Employee Future Benefits (Note 2e, 7, & 17)	34,313	35,495
<b>Total Liabilities</b>	<u>15,830,060</u>	<u>16,425,579</u>
<b>Net Financial Assets (Debt)</b>	<u>(12,459,446)</u>	<u>(12,557,526)</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 8)	19,230,841	19,465,464
<b>Total Non-Financial Assets</b>	<u>19,230,841</u>	<u>19,465,464</u>
<b>Accumulated Surplus (Deficit) (Note 2a, 15, &amp; 17)</b>	<u>6,771,395</u>	<u>6,907,938</u>

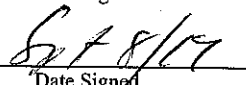
Contractual Obligations and Contingencies

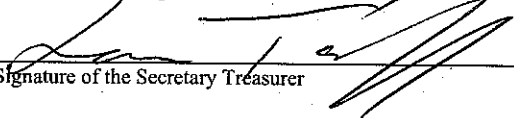
Approved by the Board

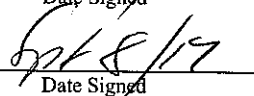
  
Signature of the Chairperson of the Board of Education

  
Date Signed

  
Signature of the Superintendent

  
Date Signed

  
Signature of the Secretary Treasurer

  
Date Signed

# School District No. 84 (Vancouver Island West)

Statement of Operations  
Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	5,687,924	<b>4,870,902</b>	5,988,303
Other		<b>4,908</b>	14,265
Other Revenue	2,993,156	<b>3,238,260</b>	2,860,466
Rentals and Leases	1,000		
Investment Income	28,615	<b>29,655</b>	31,902
Amortization of Deferred Capital Revenue	533,354	<b>528,264</b>	361,509
<b>Total Revenue</b>	<u>9,244,049</u>	<u><b>8,671,989</b></u>	<u>9,256,445</u>
<b>Expenses (Note 14)</b>			
Instruction	7,100,875	<b>6,178,050</b>	6,350,638
District Administration	613,748	<b>581,956</b>	574,207
Operations and Maintenance	1,682,645	<b>1,763,441</b>	1,699,512
Transportation and Housing	253,569	<b>285,085</b>	260,878
<b>Total Expense</b>	<u>9,650,837</u>	<u><b>8,808,532</b></u>	<u>8,885,235</u>
<b>Surplus (Deficit) for the year</b>	<u>(406,788)</u>	<u><b>(136,543)</b></u>	<u>371,210</u>
<b>Accumulated Surplus (Deficit) from Operations, beginning of year</b>		<b>6,907,938</b>	6,536,728
<b>Accumulated Surplus (Deficit) from Operations, end of year</b>		<u><u><b>6,771,395</b></u></u>	<u>6,907,938</u>

# School District No. 84 (Vancouver Island West)

## Statement of Changes in Net Financial Assets (Debt)

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Surplus (Deficit) for the year</b>	(406,788)	<b>(136,543)</b>	371,210
<b>Effect of change in Tangible Capital Assets</b>			
Acquisition of Tangible Capital Assets (Note 8)	(1,090,000)	<b>(480,647)</b>	(4,304,432)
Amortization of Tangible Capital Assets (Note 8)	715,591	<b>715,270</b>	533,045
<b>Total Effect of change in Tangible Capital Assets</b>	<u>(374,409)</u>	<b><u>234,623</u></b>	<u>(3,771,387)</u>
<b>Total Effect of change in Other Non-Financial Assets</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>(Increase) Decrease in Net Financial Assets (Debt), before Net Remeasurement Gains (Losses)</b>	<u>(781,197)</u>	<b>98,080</b>	(3,400,177)
<b>Net Remeasurement Gains (Losses)</b>			
<b>(Increase) Decrease in Net Financial Assets (Debt)</b>		<b>98,080</b>	(3,400,177)
<b>Net Financial Assets (Debt), beginning of year</b>		<b>(12,557,526)</b>	(9,157,349)
<b>Net Financial Assets (Debt), end of year</b>		<b><u>(12,459,446)</u></b>	<u>(12,557,526)</u>

# School District No. 84 (Vancouver Island West)

Statement 5

Statement of Cash Flows  
Year Ended June 30, 2014

	2014 Actual	2013 Actual (Recast - Note 17)
<b>Operating Transactions</b>	\$	\$
Surplus (Deficit) for the year	(136,543)	371,210
Changes in Non-Cash Working Capital		
Decrease (Increase)		
Accounts Receivable	(248,927)	303,486
Increase (Decrease)		
Accounts Payable and Accrued Liabilities	(290,246)	(90,622)
Deferred Revenue	(72,677)	(119,256)
Employee Future Benefits	(1,182)	(5,095)
Amortization of Tangible Capital Assets	715,270	533,045
Amortization of Deferred Capital Revenue	(528,264)	(361,509)
<b>Total Operating Transactions</b>	<u>(562,569)</u>	<u>631,259</u>
<b>Capital Transactions</b>		
Tangible Capital Assets Purchased	(478,107)	(4,240,337)
Tangible Capital Assets -WIP Purchased	(2,540)	(64,095)
<b>Total Capital Transactions</b>	<u>(480,647)</u>	<u>(4,304,432)</u>
<b>Financing Transactions</b>		
Capital Revenue Received	296,850	5,222,670
<b>Total Financing Transactions</b>	<u>296,850</u>	<u>5,222,670</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(746,366)	1,549,497
<b>Cash and Cash Equivalents, beginning of year</b>	3,298,537	1,749,040
<b>Cash and Cash Equivalents, end of year</b>	<u>2,552,171</u>	<u>3,298,537</u>
<b>Cash and Cash Equivalents, end of year, is made up of:</b>		
Cash	2,552,171	3,298,537
	<u>2,552,171</u>	<u>3,298,537</u>





## NOTE 1 AUTHORITY AND PURPOSE

The School District, established on January 1, 1965 operates under authority of the *School Act* of British Columbia as a corporation under the name of “The Board of Education of School District No.84 (Vancouver Island West)”, and operates as “School District No.84 (Vancouver Island West)”. A board of education (“Board”) elected for a three-year term governs the School District. The School District provides educational programs to students enrolled in schools in the district, and is principally funded by the Province of British Columbia through the Ministry of Education. School District No.84 (Vancouver Island West) is exempt from federal and provincial corporate income taxes.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a) Basis of Accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia. This Section requires that the financial statements be prepared in accordance with Canadian public sector accounting standards except in regard to the accounting for government transfers as set out in Notes 2(d) and 2(j).

In November 2011, Treasury Board provided a directive through Restricted Contributions Regulation 198/2011 providing direction for the reporting of restricted contributions whether they are received or receivable by the School District before or after this regulation was in effect.

As noted in Notes 2(d) and 2(j), Section 23.1 of the Budget Transparency and Accountability Act and its related regulations require the School District to recognize government transfers for the acquisition of capital assets into revenue on the same basis as the related amortization expense. As these transfers do not contain stipulations that create a liability, Canadian public sector accounting standards would require these grants to be fully recognized into revenue. The impact of this difference on the financial statements of the School District is as follows:

Year-ended June 30, 2013 – increase in annual surplus by \$4,861,161  
June 30, 2013 – increase in accumulated surplus and decrease in deferred contributions by \$14,963,529  
Year-ended June 30, 2014 – decrease in annual surplus by (\$231,414)  
June 30, 2014 – increase in accumulated surplus and decrease in deferred contributions by \$14,732,115

### b) Cash and cash equivalents

Cash and cash equivalents that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These cash equivalents generally have a maturity of three months or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

### c) Accounts Receivable

Accounts receivable are measured at amortized cost and shown net of allowance for doubtful accounts. (refer also to Note 3)



**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Deferred Revenue and Deferred Capital Revenue**

Deferred revenue includes contributions received with stipulations that meet the description of restricted contributions in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. When restrictions are met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 2(j).

Funding received for the acquisition of depreciable tangible capital assets is recorded as deferred capital revenue and amortized over the life of the asset acquired as revenue in the statement of operations. This accounting treatment is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that creates a liability in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

**e) Employee Future Benefits**

The School District provides certain post-employment benefits including vested and non-vested benefits for certain employees pursuant to certain contracts and union agreements.

The School District accrues its obligations and related costs including both vested and non-vested benefits under employee future benefit plans. Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. The benefits cost is actuarially determined using the projected unit credit method pro-rated on service and using management's best estimate of expected salary escalation, termination rates, retirement rates and mortality. The discount rate used to measure obligations is based on the cost of borrowing.

The cumulative unrecognized actuarial gains and losses are amortized over the expected average remaining service lifetime (EARS<sub>L</sub>) of active employees covered under the plan.

The most recent valuation of the obligation was performed at March 31, 2013 and projected to June 30, 2016. The next valuation will be performed at March 31, 2016 for use at June 30, 2016. For the purposes of determining the financial position of the plans and the employee future benefit costs, a measurement date of March 31 was adopted for all periods subsequent to July 1, 2004.

The School district and its employees make contributions to the Teachers' Pension Plan and Municipal Pension Plan. The plans are multi-employer plans where assets and obligations are not separated. The costs are expensed as incurred.



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**NOTE 2            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f)    Asset Retirement Obligations**

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

**g)    Tangible Capital Assets**

The following criteria apply:

- Tangible capital assets acquired or constructed are recorded at cost which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost also includes overhead directly attributable to construction as well as interest costs that are directly attributable to the acquisition or construction of the asset.
- Donated tangible capital assets are recorded at their fair market value on the date of donation, except in circumstances where fair value cannot be reasonably determined, which are then recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.
- Work-in-progress is recorded as an acquisition to the applicable asset class at substantial completion.
- Tangible capital assets are written down to residual value when conditions indicate they no longer contribute to the ability of the School District to provide services or when the value of future economic benefits associated with the sites and buildings are less than their net book value. The write-downs are accounted for as expenses in the Statement of Operations.
- Buildings that are demolished or destroyed are written-off.
- The cost, less residual value, of tangible capital assets (excluding sites), is amortized on a straight-line basis over the estimated useful life of the asset. It is management's responsibility to determine the appropriate useful lives for tangible capital assets. These useful lives are reviewed on a regular basis or if significant events initiate the need to revise. Estimated useful life is as follows:

Buildings	40 years
Furniture & Equipment	10 years
Vehicles	10 years
Computer Software	5 years
Computer Hardware	5 years

**h)    Prepaid Expenses**

Materials and supplies for educational programs are included as a prepaid expense and stated at acquisition cost and are charged to expense over the periods expected to benefit from it.



**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i) Funds and Reserves**

Certain amounts, as approved by the Board are set aside in accumulated surplus for future operating and capital purposes. Transfers to and from funds and reserves are an adjustment to the respective fund when approved (see Note 10 – Interfund Transfers and Note 15 – Internally Restricted Surplus).

**j) Revenue recognition**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. Eligibility criteria are the criteria that the School District has to meet in order to receive the contributions including authorization by the transferring government.

For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

- Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,
- Contributions restricted for site acquisitions are recorded as revenue when the sites are purchased, and
- Contributions restricted for tangible capital assets acquisitions other than sites are recorded as deferred capital revenue and amortized over the useful life of the related assets.

Donated tangible capital assets other than sites are recorded at fair market value and amortized over the useful life of the assets. Donated sites are recorded as revenue at fair market value when received or receivable

The accounting treatment for restricted contributions is not consistent with the requirements of Canadian public sector accounting standards which require that government transfers be recognized as revenue when approved by the transferor and eligibility criteria have been met unless the transfer contains a stipulation that meets the criteria for liability recognition in which case the transfer is recognized as revenue over the period that the liability is extinguished. See Note 2(a) for the impact of this policy on these financial statements.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Investment income is reported in the period earned. When required by the funding party or related Act, investment income earned on deferred revenue is added to the deferred revenue balance.



**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) Expenditures**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed.

Categories of Salaries

- Principals, Vice-Principals, and Directors of Instruction employed under an administrative officer contract are categorized as Principals and Vice-Principals.
- Superintendents, Assistant Superintendents, Secretary-Treasurers, Trustees and other employees excluded from union contracts are categorized as Other Professionals.

Allocation of Costs

- Operating expenses are reported by function, program, and object. Whenever possible, expenditures are determined by actual identification. Additional costs pertaining to specific instructional programs, such as special and aboriginal education, are allocated to these programs. All other costs are allocated to related programs.
- Actual salaries of personnel assigned to two or more functions or programs are allocated based on the time spent in each function and program. School-based clerical salaries are allocated to school administration and partially to other programs to which they may be assigned. Principals and Vice-Principals salaries are allocated to school administration and may be partially allocated to other programs to recognize their other responsibilities.
- Employee benefits and allowances are allocated to the same programs, and in the same proportions, as the individual's salary.
- Supplies and services are allocated based on actual program identification.

**l) Financial instruments**

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The School District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and other liabilities.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.



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**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

**j) Measurement Uncertainty**

Preparation of financial statements in accordance with the basis of accounting described in Note 2(a) requires management to make estimates and assumptions that impact reported amounts of assets and liabilities at the date of the financial statements and revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the potential impairment of assets, liabilities for contaminated sites, rates for amortization and estimated employee future benefits. Actual results could differ from those estimates.

**NOTE 3 ACCOUNTS RECEIVABLE**

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Due from Canada (GST rebate)	<b>\$25,161</b>	\$513,883
Due from Employees	<b>9,800</b>	5,564
Due from Various Professional Associations	<b>26,943</b>	25,254
Due from First Nations (non Local Education Agreements)	<b>9,000</b>	21,708
Miscellaneous	<b>14,735</b>	3,107
	<hr/>	<hr/>
<b>Totals</b>	<b>\$85,639</b>	\$569,516
	<hr/>	<hr/>



**NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES - OTHER**

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
June Teacher Strike Savings Refund Payable to Ministry of Education	<b>\$105,983</b>	-
Trade payables	<b>366,192</b>	\$323,157
Salaries and benefits payable	<b>296,376</b>	232,292
Local Education Agreement overpayment from First Nations	-	494,234
Accrued vacation pay	<b>44,143</b>	53,257
	<hr/>	<hr/>
<b>Totals</b>	<b>\$812,694</b>	\$1,102,940

**NOTE 5 DEFERRED REVENUE**

Deferred revenue (formerly deferred contributions) includes unspent grants and contributions received that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board, i.e., the stipulations associated with those grants and contributions have not yet been fulfilled. Detailed information about the changes in deferred revenue is included in Schedule 3A.

**NOTE 6 DEFERRED CAPITAL REVENUE**

Deferred capital revenue (formerly deferred capital contributions) includes grants and contributions received that are restricted by the contributor for the acquisition of tangible capital assets that meet the description of a restricted contribution in the Restricted Contributions Regulation 198/2011 issued by Treasury Board. Once spent, the contributions are amortized into revenue over the life of the asset acquired. Detailed information about the changes in deferred capital revenue is included in Schedules 4C and 4D.



**NOTE 7 EMPLOYEE FUTURE BENEFITS**

Benefits include vested sick leave, accumulating non-vested sick leave, early retirement, retirement/severance, vacation, overtime and death benefits. Funding is provided when the benefits are paid and accordingly, there are no plan assets. Although no plan assets are uniquely identified, the School District has provided for the payment of these benefits.

	<b>June 30, 2014</b>	June 30, 2013 (Restated)
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued Benefit Obligation – April 1	\$40,986	\$46,917
Service Cost	4,106	4,798
Interest Cost	1,272	2,024
Benefit Payments	-4,291	-12,876
Actuarial (Gain) Loss	-1,774	123
Accrued Benefit Obligation – March 31	<u>\$40,299</u>	<u>\$40,986</u>
<b>Reconciliation of Funded Status at End of Fiscal Year</b>		
Accrued Benefit Obligation – March 31	\$40,299	\$40,986
Market Value of Plan Assets – March 31	0	0
Funded Status – Surplus (Deficit)	<u>-40,299</u>	<u>-40,986</u>
Employer Contributions After Measurement Date	3,265	0
Benefit Expense After Measurement Date	-1,368	-1,344
Unamortized Net Actuarial (Gain) Loss	4,089	6,835
Accrued Benefit Asset (Liability) – June 30	<u>-\$34,313</u>	<u>-\$35,495</u>
<b>Reconciliation of Change in Accrued Benefit Liability</b>		
Accrued Benefit Liability – July 1	\$35,495	\$39,246
Recognize Benefit Expense April 1 - June 30, 2012		1,706
Accrued Benefit Liability – July 1 (restated)	<u>35,495</u>	<u>40,952</u>
Net expense for Fiscal Year	6,374	7,420
Employer Contributions	-7,556	-12,877
Accrued Benefit Liability – June 30	<u>\$34,313</u>	<u>\$35,495</u>
<b>Components of Net Benefit Expense</b>		
Service Cost	\$4,105	\$4,625
Interest Cost	1,296	1,836
Amortization of Net Actuarial (Gain)/Loss	973	959
Net Benefit Expense (Income)	<u>\$6,374</u>	<u>\$7,420</u>
<b>Assumptions</b>		
Discount Rate – April 1	3.00%	4.25%
Discount Rate – March 31	3.25%	3.00%
Long Term Salary Growth – April 1	2.50% + seniority	2.50% + seniority
Long Term Salary Growth – March 31	2.50% + seniority	2.50% + seniority
EARSL – March 31	9.3	9.3





**NOTE 8 TANGIBLE CAPITAL ASSETS**

**Net Book Value:**

	Net Book Value June 30, 2014	Net Book Value June 30, 2013
Sites	\$1,449,225	\$1,353,320
Buildings	16,973,249	17,234,921
Buildings – work in progress	2,540	
Furniture & Equipment	365,453	385,936
Vehicles	427,531	463,080
Computer Software	7,748	11,623
Computer Hardware	7,635	16,584
<b>Total</b>	<b>\$19,230,841</b>	<b>\$19,465,464</b>

**June 30, 2014**

Cost:	July 1, 2013	Additions	Disposals	Transfers (WIP)	June 30, 2014
Sites	\$1,353,320	\$95,905			\$1,449,225
Buildings	27,482,824	326,334			27,809,158
Buildings – work in progress				\$2,540	2,540
Furniture & Equipment	480,303	21,138			501,441
Vehicles	702,793	34,730			737,523
Computer Software	19,373				19,373
Computer Hardware	44,748		(\$32,029)		12,719
<b>Total</b>	<b>30,083,361</b>	<b>\$478,107</b>	<b>(\$32,029)</b>	<b>\$2,540</b>	<b>\$30,531,979</b>

Accumulated Amortization:	July 1, 2013	Additions	Disposals	June 30, 2014
Sites	-			-
Buildings	\$10,247,903	\$590,546		\$10,838,449
Furniture & Equipment	94,367	41,621		135,988
Vehicles	239,713	70,279		309,992
Computer Software	7,750	3,875		11,625
Computer Hardware	28,164	8,949	(\$32,029)	5,084
<b>Total</b>	<b>\$10,617,897</b>	<b>\$715,270</b>	<b>(\$32,029)</b>	<b>\$11,301,138</b>



**NOTE 8 TANGIBLE CAPITAL ASSETS (Continued)**

**June 30, 2013**

Cost:	July 1, 2013	Additions	Disposals	Transfers (WIP)	June 30, 2013
Sites	\$1,353,320	\$			<b>\$1,353,320</b>
Buildings	21,264,469	\$6,218,355			<b>27,482,824</b>
Buildings – work in progress					
Furniture & Equipment	262,055	154,153		\$64,095	<b>480,303</b>
Vehicles	553,526	240,554	(\$91,287)		<b>702,793</b>
Computer Software	19,373				<b>19,373</b>
Computer Hardware	44,748				<b>44,748</b>
<b>Total</b>	<b>23,497,491</b>	<b>\$6,613,062</b>	<b>(\$91,287)</b>	<b>\$64,095</b>	<b>\$30,083,361</b>

Accumulated Amortization:	July 1, 2013	Additions	Disposals	June 30, 2013
Sites				
Buildings	\$9,809,241	\$438,662		<b>\$10,247,903</b>
Furniture & Equipment	68,161	26,206		<b>94,367</b>
Vehicles	275,647	55,353	(\$91,287)	<b>239,713</b>
Computer Software	3,875	3,875		<b>7,750</b>
Computer Hardware	19,215	8,949		<b>28,164</b>
<b>Total</b>	<b>\$10,176,139</b>	<b>\$533,045</b>	<b>(\$91,287)</b>	<b>\$10,617,897</b>

- Buildings – work in progress having a value of \$2,540 (2013: \$0) have not been amortized. Amortization of these assets will commence when the asset is put into service.

**NOTE 9 EMPLOYEE PENSION PLANS**

The school district and its employees contribute to the Teachers' Pension Plan and Municipal Pension Plan, jointly trustee pension Plans. The board of trustees for these plans represents plan members and employers and is responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory pension plans. Basic pension benefits provided are based on a formula. The Teachers' Pension Plan has about 45,000 active members from school districts, and approximately 32,000 retired members from school districts. The Municipal Pension Plan has about 179,000 active members, of which approximately 24,000 are from school districts.



**NOTE 9 EMPLOYEE PENSION PLANS (Continued)**

Every three years, an actuarial valuation is performed to assess the financial position of the plans and the adequacy of plan funding. The most recent actuarial valuation of the Teachers' Pension Plan as at December 31, 2011 indicated an \$855 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2014 with results available in 2015. The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2012 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and cost to individual employers participating in the Plan.

School District No.84 (Vancouver Island West) paid \$675,807 (2013: \$639,759) for employer contributions to these plans in the year ended June 30, 2014.

**NOTE 10 INTERFUND TRANSFERS**

Interfund transfers between the operating, special purpose and capital funds for the year ended June 30, 2014, were as follows:

- \$34,192 from Special Purpose funds to Capital funds for purchase of capital assets
- \$10,233 from Operating funds to Capital funds for purchase of capital assets
- \$25,000 from Operating funds to Local Capital

**NOTE 11 RELATED PARTY TRANSACTIONS**

The School District is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities, and crown corporations. Transactions with these entities, unless disclosed separately, are considered to be in the normal course of operations and are recorded at the exchange amount.

**NOTE 12 BUDGET FIGURES**

Budget figures included in the financial statements are not audited. They were approved by the Board through the adoption of an annual budget on May 23, 2013.

**NOTE 13 ASSET RETIREMENT OBLIGATIONS**

The fair value of the liability for asbestos removal or disposal will be recognized in the period in which it is incurred. As at June 30, 2014, the liability cannot be reasonably determined.



**NOTE 14 EXPENSE BY OBJECT**

	<b>June 30, 2014</b>	June 30, 2013
Salaries and benefits	<b>\$6,383,294</b>	\$6,544,070
Services and supplies	<b>1,709,968</b>	1,808,120
Amortization	<b>715,270</b>	533,045
Totals	<b>\$8,808,532</b>	\$8,885,235

**NOTE 15 OPERATING FUND BALANCE, END OF YEAR**

Internally restricted (appropriated) by Board for:

	<u><b>2014</b></u>	<u>2013</u>
School and misc education programs from 2012/13 applied to 2013/14	-	\$22,590
School and misc education programs from 2013/14 applied to 2014/15	<b>\$38,745</b>	-
Professional Development	<b>18,959</b>	11,371
Action For Learning	<b>20,000</b>	20,000
Business Efficiency Initiatives	<b>20,000</b>	-
To maintain educational programs from 2012/13 to 2013/14	-	150,000
To maintain educational programs from 2013/14 to 2014/15	<b>150,000</b>	-
Implementation of new educational programs	<b>315,000</b>	375,000
Adjustments based on Sept 30 enrollment	<b>90,000</b>	80,000
	<hr/>	<hr/>
Internally restricted surplus	<b>\$652,704</b>	\$658,961
Unrestricted operating surplus	<b>400,128</b>	418,560
	<hr/>	<hr/>
Total available for future operations	<b>\$1,052,832</b>	\$1,077,521

**NOTE 16 ECONOMIC DEPENDENCE**

The operations of the School District are dependent on continued funding from the Ministry of Education and various governmental agencies to carry out its programs. These financial statements have been prepared on a going concern basis.

**NOTE 17 PRIOR PERIOD ADJUSTMENT**

In prior years school districts reported annual Employee Future Benefit (EFB) expense equal to the 12 months ended March 31 expenses as determined by the actuary rather than the 12 months ended June 30. An adjustment was made to increase the Employee Future Benefit (EFB) liability to include benefits expense incurred after the early measurement date of March 31 (see Note 7).

The June 30, 2013 EFB liability increased by \$1,344 representing the EFB expenses April 1 to June 30, 2013. The opening surplus as at July 1, 2012 was decreased by \$1,706 representing the April 1 – June 2012 EFB expenses. The surplus for the year ended June 30, 2013 was increased by \$361 representing the April 1 – June 2013 EFB expense minus the April 1 – June 2012 EFB expense.



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**NOTE 18 RISK MANAGEMENT**

The School District has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

The Board ensures that the School District has identified its risks and ensures that management monitors and controls them.

a) Credit risk :

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

The School District is exposed to credit risk in the event of non-performance by a borrower. This risk is mitigated as most amounts receivable are due from the Province and are collectible.

It is management's opinion that the School District is not exposed to significant credit risk associated with its cash deposits as they are placed in recognized British Columbia institutions.

b) Market risk :

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the School District is not exposed to significant currency risk, as amounts held and purchases made in foreign currency are insignificant.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. It is management's opinion that the School District is not exposed to significant interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the School District will not be able to meet its financial obligations as they become due.

The School District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the School District's reputation.

Risk Management and insurance services for all School Districts in British Columbia are provided by the Risk Management Branch of the Ministry of Finance.

# MOELLER & COMPANY

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### AUDITORS' COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

To the Board of Education of School District No. 84 (Vancouver Island West)  
To the Minister of Education, Province of British Columbia

We have audited the financial statements of School District No. 84 (Vancouver Island West), which comprise the statement of financial position as at June 30, 2014, and the statements of operations, changes in net financial assets (debt) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated September 8, 2014 which contained an unmodified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The schedules presented hereinafter are presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

Campbell River, British Columbia  
September 8, 2014

  
Chartered Accountants

# School District No. 84 (Vancouver Island West)

Schedule 1 (Unaudited)

Schedule of Changes in Accumulated Surplus (Deficit) by Fund  
Year Ended June 30, 2014

	Operating Fund	Special Purpose Fund	Capital Fund	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$	\$	\$
<b>Accumulated Surplus (Deficit), beginning of year</b>	1,077,521		5,830,417	<b>6,907,938</b>	6,538,072
Prior Period Adjustments					(1,344)
<b>Accumulated Surplus (Deficit), beginning of year, as restated</b>	<b>1,077,521</b>	-	<b>5,830,417</b>	<b>6,907,938</b>	6,536,728
<b>Changes for the year</b>					
Surplus (Deficit) for the year	10,544	34,192	(181,279)	<b>(136,543)</b>	371,210
Interfund Transfers					
Tangible Capital Assets Purchased	(10,233)	(34,192)	44,425	-	
Local Capital	(25,000)		25,000	-	
<b>Net Changes for the year</b>	<b>(24,689)</b>	-	<b>(111,854)</b>	<b>(136,543)</b>	<b>371,210</b>
<b>Accumulated Surplus (Deficit), end of year - Statement 2</b>	<b>1,052,832</b>	-	<b>5,718,563</b>	<b>6,771,395</b>	6,907,938

# School District No. 84 (Vancouver Island West)

Schedule 2 (Unaudited)

Schedule of Operating Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	5,198,363	4,431,901	5,422,199
Other		4,908	14,265
Other Revenue	2,653,471	3,086,716	2,663,138
Rentals and Leases	1,000		
Investment Income	23,000	28,931	29,559
<b>Total Revenue</b>	<b>7,875,834</b>	<b>7,552,456</b>	<b>8,129,161</b>
<b>Expenses</b>			
Instruction	6,609,614	5,788,201	5,907,713
District Administration	613,748	581,956	574,207
Operations and Maintenance	969,278	979,445	976,153
Transportation and Housing	183,345	192,310	175,178
<b>Total Expense</b>	<b>8,375,985</b>	<b>7,541,912</b>	<b>7,633,251</b>
<b>Operating Surplus (Deficit) for the year</b>	<b>(500,151)</b>	<b>10,544</b>	<b>495,910</b>
<b>Budgeted Appropriation (Retirement) of Surplus (Deficit)</b>	<b>525,151</b>		
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased		(10,233)	
Local Capital	(25,000)	(25,000)	(150,000)
<b>Total Net Transfers</b>	<b>(25,000)</b>	<b>(35,233)</b>	<b>(150,000)</b>
<b>Total Operating Surplus (Deficit), for the year</b>	<b>-</b>	<b>(24,689)</b>	<b>345,910</b>
<b>Operating Surplus (Deficit), beginning of year</b>		<b>1,077,521</b>	<b>732,955</b>
Prior Period Adjustments			
April - June 2012 EFB Expense Restatement			(1,344)
<b>Operating Surplus (Deficit), beginning of year, as restated</b>		<b>1,077,521</b>	<b>731,611</b>
<b>Operating Surplus (Deficit), end of year</b>		<b>1,052,832</b>	<b>1,077,521</b>
<b>Operating Surplus (Deficit), end of year</b>			
Internally Restricted (Note 15)		652,704	658,961
Unrestricted		400,128	418,560
<b>Total Operating Surplus (Deficit), end of year</b>		<b>1,052,832</b>	<b>1,077,521</b>



# School District No. 84 (Vancouver Island West)

Schedule 2A (Unaudited)

Schedule of Operating Revenue by Source

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Provincial Grants - Ministry of Education</b>			
Operating Grant, Ministry of Education	7,712,754	<b>7,200,205</b>	7,926,488
AANDC/LEA Recovery	(2,573,826)	<b>(2,833,212)</b>	(2,573,826)
Other Ministry of Education Grants			
Pay Equity	55,087	<b>55,087</b>	55,087
FSA & Exam Marking	4,348	<b>4,348</b>	4,348
Carbon Tax Reimbursement		<b>4,642</b>	5,118
Education Guarantee		<b>831</b>	4,984
<b>Total Provincial Grants - Ministry of Education</b>	<u>5,198,363</u>	<u><b>4,431,901</b></u>	<u>5,422,199</u>
<b>Provincial Grants - Other</b>		<u><b>4,908</b></u>	<u>14,265</u>
<b>Other Revenues</b>			
LEA/Direct Funding from First Nations	2,536,971	<b>3,015,803</b>	2,536,971
Miscellaneous			
Kyuquot Grant	75,500	<b>62,918</b>	97,730
Art Start	2,000		2,300
Outdoor Education	9,000		10,000
Nuchatlaht Tribe Grant	30,000		
Miscellaneous		<b>7,995</b>	16,137
<b>Total Other Revenue</b>	<u>2,653,471</u>	<u><b>3,086,716</b></u>	<u>2,663,138</u>
<b>Rentals and Leases</b>	<u>1,000</u>		
<b>Investment Income</b>	<u>23,000</u>	<u><b>28,931</b></u>	<u>29,559</u>
<b>Total Operating Revenue</b>	<u><u>7,875,834</u></u>	<u><u><b>7,552,456</b></u></u>	<u><u>8,129,161</u></u>

**School District No. 84 (Vancouver Island West)**

Schedule 2B (Unaudited)

Schedule of Operating Expense by Object  
Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Salaries</b>			
Teachers	2,679,738	<b>2,387,342</b>	2,525,872
Principals and Vice Principals	679,079	<b>758,957</b>	685,495
Educational Assistants	416,412	<b>406,611</b>	426,666
Support Staff	607,166	<b>581,764</b>	570,491
Other Professionals	348,599	<b>320,911</b>	339,459
Substitutes	285,268	<b>271,918</b>	317,497
<b>Total Salaries</b>	<b>5,016,262</b>	<b>4,727,503</b>	4,865,480
<b>Employee Benefits</b>	1,292,409	<b>1,284,994</b>	1,205,968
<b>Total Salaries and Benefits</b>	<b>6,308,671</b>	<b>6,012,497</b>	6,071,448
<b>Services and Supplies</b>			
Services	298,528	<b>359,418</b>	280,979
Student Transportation	37,100	<b>31,040</b>	37,780
Professional Development and Travel	463,597	<b>329,828</b>	377,904
Rentals and Leases	3,000		2,000
Dues and Fees	35,400	<b>24,805</b>	32,731
Insurance	38,000	<b>40,938</b>	38,613
Supplies	869,939	<b>397,696</b>	492,120
Utilities	321,750	<b>345,690</b>	299,676
<b>Total Services and Supplies</b>	<b>2,067,314</b>	<b>1,529,415</b>	1,561,803
<b>Total Operating Expense</b>	<b>8,375,985</b>	<b>7,541,912</b>	7,633,251

# School District No. 84 (Vancouver Island West)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2014

	Teachers Salaries	Principals and Vice Principals Salaries	Educational Assistants Salaries	Support Staff Salaries	Other Professionals Salaries	Substitutes Salaries	Total Salaries
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	1,840,288	418,729	60,126	9,513		157,351	2,486,007
1.07 Library Services	27,294		30,329	12,129		3,888	73,640
1.08 Counselling	34,602						34,602
1.10 Special Education	318,793	49,532	266,129			53,257	687,711
1.30 English Language Learning		29,719	27,226				56,945
1.31 Aboriginal Education	109,030	25,000	13,351				147,381
1.41 School Administration		235,977		165,582		3,819	405,378
1.61 Continuing Education	57,335						57,335
1.64 Other			9,450				9,450
<b>Total Function 1</b>	<b>2,387,342</b>	<b>758,957</b>	<b>406,611</b>	<b>187,224</b>	<b>-</b>	<b>218,315</b>	<b>3,958,449</b>
<b>4 District Administration</b>							
4.11 Educational Administration					95,160		95,160
4.40 School District Governance					76,665		76,665
4.41 Business Administration				39,014	77,644	28,422	145,080
<b>Total Function 4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,014</b>	<b>249,469</b>	<b>28,422</b>	<b>316,905</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration				39	42,685		42,724
5.50 Maintenance Operations				311,911		24,400	336,311
5.52 Maintenance of Grounds							-
5.56 Utilities							-
<b>Total Function 5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>311,950</b>	<b>42,685</b>	<b>24,400</b>	<b>379,035</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration					28,757		28,757
7.70 Student Transportation				43,576		781	44,357
<b>Total Function 7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,576</b>	<b>28,757</b>	<b>781</b>	<b>73,114</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>2,387,342</b>	<b>758,957</b>	<b>406,611</b>	<b>581,764</b>	<b>320,911</b>	<b>271,918</b>	<b>4,727,503</b>

# School District No. 84 (Vancouver Island West)

Schedule 2C (Unaudited)

Operating Expense by Function, Program and Object

Year Ended June 30, 2014

	Total Salaries	Employee Benefits	Total Salaries and Benefits	Services and Supplies	2014 Actual	2014 Budget	2013 Actual (Recast - Note 17)
	\$	\$	\$	\$	\$	\$	\$
<b>1 Instruction</b>							
1.02 Regular Instruction	2,486,007	700,305	3,186,312	330,966	3,517,278	4,088,490	3,426,165
1.07 Library Services	73,640	26,301	99,941	1,783	101,724	211,136	107,706
1.08 Counselling	34,602	9,732	44,334		44,334	42,213	42,277
1.10 Special Education	687,711	194,049	881,760	137,522	1,019,282	1,145,700	1,165,872
1.30 English Language Learning	56,945	14,001	70,946		70,946	71,280	71,295
1.31 Aboriginal Education	147,381	27,369	174,750	178,784	353,534	333,320	379,672
1.41 School Administration	405,378	114,460	519,838	58,511	578,349	578,696	614,130
1.61 Continuing Education	57,335	16,348	73,683	13,635	87,318	114,032	94,714
1.64 Other	9,450	2,118	11,568	3,868	15,436	24,747	5,882
<b>Total Function 1</b>	<b>3,958,449</b>	<b>1,104,683</b>	<b>5,063,132</b>	<b>725,069</b>	<b>5,788,201</b>	<b>6,609,614</b>	<b>5,907,713</b>
<b>4 District Administration</b>							
4.11 Educational Administration	95,160	32,907	128,067	33,261	161,328	137,382	142,486
4.40 School District Governance	76,665	5,749	82,414	51,272	133,686	131,219	134,662
4.41 Business Administration	145,080	27,704	172,784	114,158	286,942	345,147	297,059
<b>Total Function 4</b>	<b>316,905</b>	<b>66,360</b>	<b>383,265</b>	<b>198,691</b>	<b>581,956</b>	<b>613,748</b>	<b>574,207</b>
<b>5 Operations and Maintenance</b>							
5.41 Operations and Maintenance Administration	42,724	8,870	51,594	38,246	89,840	127,264	109,521
5.50 Maintenance Operations	336,311	87,407	423,718	118,302	542,020	515,264	564,604
5.52 Maintenance of Grounds	-	-	-	1,895	1,895	5,000	2,352
5.56 Utilities	-	-	-	345,690	345,690	321,750	299,676
<b>Total Function 5</b>	<b>379,035</b>	<b>96,277</b>	<b>475,312</b>	<b>504,133</b>	<b>979,445</b>	<b>969,278</b>	<b>976,153</b>
<b>7 Transportation and Housing</b>							
7.41 Transportation and Housing Administration	28,757	6,713	35,470		35,470	35,494	35,475
7.70 Student Transportation	44,357	10,961	55,318	101,522	156,840	147,851	139,703
<b>Total Function 7</b>	<b>73,114</b>	<b>17,674</b>	<b>90,788</b>	<b>101,522</b>	<b>192,310</b>	<b>183,345</b>	<b>175,178</b>
<b>9 Debt Services</b>							
<b>Total Function 9</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Functions 1 - 9</b>	<b>4,727,503</b>	<b>1,284,994</b>	<b>6,012,497</b>	<b>1,529,415</b>	<b>7,541,912</b>	<b>8,375,985</b>	<b>7,633,251</b>

# School District No. 84 (Vancouver Island West)

Schedule 3 (Unaudited)

Schedule of Special Purpose Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual	2013 Actual (Recast - Note 17)
	\$	\$	\$
<b>Revenues</b>			
Provincial Grants			
Ministry of Education	489,561	<b>439,001</b>	566,104
Other Revenue	339,685	<b>146,525</b>	197,328
Investment Income	5,015	<b>16</b>	1,573
<b>Total Revenue</b>	<u>834,261</u>	<u><b>585,542</b></u>	<u>765,005</u>
<b>Expenses</b>			
Instruction	491,261	<b>389,849</b>	442,925
Operations and Maintenance	68,000	<b>139,005</b>	245,667
Transportation and Housing		<b>22,496</b>	30,347
<b>Total Expense</b>	<u>559,261</u>	<u><b>551,350</b></u>	<u>718,939</u>
<b>Special Purpose Surplus (Deficit) for the year</b>	<u>275,000</u>	<u><b>34,192</b></u>	<u>46,066</u>
<b>Net Transfers (to) from other funds</b>			
Tangible Capital Assets Purchased	(275,000)	<b>(34,192)</b>	(46,066)
<b>Total Net Transfers</b>	<u>(275,000)</u>	<u><b>(34,192)</b></u>	<u>(46,066)</u>
<b>Total Special Purpose Surplus (Deficit) for the year</b>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Special Purpose Surplus (Deficit), beginning of year</b>			
<b>Special Purpose Surplus (Deficit), end of year</b>		<u><u>-</u></u>	<u><u>-</u></u>

# School District No. 84 (Vancouver Island West)

Changes in Special Purpose Funds and Expense by Object  
Year Ended June 30, 2014

	Annual Facility Grant	Learning Improvement Fund	Special Education Equipment	Scholarships and Bursaries	School Generated Funds	Strong Start	Ready, Set, Learn	OLEP	Community- LINK
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Deferred Revenue, beginning of year</b>	149,950			4,009	68,879				
<b>Add:</b> Restricted Grants									
Provincial Grants - Ministry of Education	23,247	92,914	1,016			32,000	9,800	6,181	123,893
Other					150,863				
Investment Income				16					
	23,247	92,914	1,016	16	150,863	32,000	9,800	6,181	123,893
<b>Less:</b> Allocated to Revenue	173,197	92,914	1,016	970	123,075	32,000	9,800	6,181	123,893
<b>Deferred Revenue, end of year</b>	-	-	-	<b>3,055</b>	<b>96,667</b>	-	-	-	-
<b>Revenues</b>									
Provincial Grants - Ministry of Education	173,197	92,914	1,016			32,000	9,800	6,181	123,893
Other Revenue				954	123,075				
Investment Income				16					
	173,197	92,914	1,016	970	123,075	32,000	9,800	6,181	123,893
<b>Expenses</b>									
Salaries									
Teachers		64,598						5,076	13,640
Educational Assistants		11,248				23,000			80,000
Support Staff	107,526								
	107,526	75,846	-	-	-	23,000	-	5,076	93,640
Employee Benefits	24,036	17,068				4,000		1,105	19,500
Services and Supplies	7,443		1,016	970	123,075	5,000	9,800		10,753
	139,005	92,914	1,016	970	123,075	32,000	9,800	6,181	123,893
<b>Net Revenue (Expense) before Interfund Transfers</b>	34,192	-	-	-	-	-	-	-	-
<b>Interfund Transfers</b>									
Tangible Capital Assets Purchased	(34,192)								
	(34,192)	-	-	-	-	-	-	-	-
<b>Net Revenue (Expense)</b>	-	-	-	-	-	-	-	-	-

# School District No. 84 (Vancouver Island West)

Changes in Special Purpose Funds and Expense by Object

Year Ended June 30, 2014

	<b>Employee Housing</b>	<b>TOTAL</b>
	\$	\$
<b>Deferred Revenue, beginning of year</b>	100,777	323,615
<b>Add:</b> Restricted Grants		
Provincial Grants - Ministry of Education		289,051
Other	72,310	223,173
Investment Income	625	641
	<u>72,935</u>	<u>512,865</u>
<b>Less:</b> Allocated to Revenue	22,496	585,542
<b>Deferred Revenue, end of year</b>	<b><u>151,216</u></b>	<b><u>250,938</u></b>
<b>Revenues</b>		
Provincial Grants - Ministry of Education		439,001
Other Revenue	22,496	146,525
Investment Income		16
	<u>22,496</u>	<u>585,542</u>
<b>Expenses</b>		
Salaries		
Teachers		83,314
Educational Assistants		114,248
Support Staff		107,526
	<u>-</u>	<u>305,088</u>
Employee Benefits		65,709
Services and Supplies	22,496	180,553
	<u>22,496</u>	<u>551,350</u>
<b>Net Revenue (Expense) before Interfund Transfers</b>	<u>-</u>	<u>34,192</u>
<b>Interfund Transfers</b>		
Tangible Capital Assets Purchased		(34,192)
	<u>-</u>	<u>(34,192)</u>
<b>Net Revenue (Expense)</b>	<u>-</u>	<u>-</u>

# School District No. 84 (Vancouver Island West)

Schedule 4 (Unaudited)

Schedule of Capital Operations

Year Ended June 30, 2014

	2014 Budget	2014 Actual			2013 Actual (Recast - Note 17)
		Invested in Tangible Capital Assets	Local Capital	Fund Balance	
	\$	\$	\$	\$	\$
<b>Revenues</b>					
Provincial Grants					
Other Revenue			5,019	5,019	
Investment Income	600		708	708	770
Amortization of Deferred Capital Revenue	533,354	528,264		528,264	361,509
<b>Total Revenue</b>	<u>533,954</u>	<u>528,264</u>	<u>5,727</u>	<u>533,991</u>	<u>362,279</u>
<b>Expenses</b>					
Amortization of Tangible Capital Assets					
Operations and Maintenance	645,367	644,991		644,991	477,692
Transportation and Housing	70,224	70,279		70,279	55,353
<b>Total Expense</b>	<u>715,591</u>	<u>715,270</u>	<u>-</u>	<u>715,270</u>	<u>533,045</u>
<b>Capital Surplus (Deficit) for the year</b>	<u>(181,637)</u>	<u>(187,006)</u>	<u>5,727</u>	<u>(181,279)</u>	<u>(170,766)</u>
<b>Net Transfers (to) from other funds</b>					
Tangible Capital Assets Purchased	275,000	44,425		44,425	46,066
Local Capital	25,000		25,000	25,000	150,000
<b>Total Net Transfers</b>	<u>300,000</u>	<u>44,425</u>	<u>25,000</u>	<u>69,425</u>	<u>196,066</u>
<b>Other Adjustments to Fund Balances</b>					
Tangible Capital Assets Purchased from Local Capital		34,730	(34,730)	-	
<b>Total Other Adjustments to Fund Balances</b>		<u>34,730</u>	<u>(34,730)</u>	<u>-</u>	
<b>Total Capital Surplus (Deficit) for the year</b>	<u>118,363</u>	<u>(107,851)</u>	<u>(4,003)</u>	<u>(111,854)</u>	<u>25,300</u>
<b>Capital Surplus (Deficit), beginning of year</b>		<u>5,674,058</u>	<u>156,359</u>	<u>5,830,417</u>	<u>5,805,117</u>
<b>Capital Surplus (Deficit), end of year</b>		<u>5,566,207</u>	<u>152,356</u>	<u>5,718,563</u>	<u>5,830,417</u>



# School District No. 84 (Vancouver Island West)

Schedule 4A (Unaudited)

Tangible Capital Assets  
Year Ended June 30, 2014

	Sites	Buildings	Furniture and Equipment	Vehicles	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Cost, beginning of year</b>	1,353,320	27,482,824	416,208	702,793	19,373	44,748	<b>30,019,266</b>
<b>Changes for the Year</b>							
Increase:							
Purchases from:							
Deferred Capital Revenue - Bylaw	95,905	292,142	10,905				<b>398,952</b>
Operating Fund			10,233				<b>10,233</b>
Special Purpose Funds		34,192					<b>34,192</b>
Local Capital				34,730			<b>34,730</b>
Transferred from Work in Progress			64,095				<b>64,095</b>
	95,905	326,334	85,233	34,730	-	-	<b>542,202</b>
Decrease:							
Deemed Disposals						32,029	<b>32,029</b>
	-	-	-	-	-	32,029	<b>32,029</b>
<b>Cost, end of year</b>	1,449,225	27,809,158	501,441	737,523	19,373	12,719	<b>30,529,439</b>
<b>Work in Progress, end of year</b>		2,540					<b>2,540</b>
<b>Cost and Work in Progress, end of year</b>	1,449,225	27,811,698	501,441	737,523	19,373	12,719	<b>30,531,979</b>
<b>Accumulated Amortization, beginning of year</b>		10,247,903	94,367	239,713	7,750	28,164	<b>10,617,897</b>
<b>Changes for the Year</b>							
Increase: Amortization for the Year		590,546	41,621	70,279	3,875	8,949	<b>715,270</b>
Decrease:							
Deemed Disposals						32,029	<b>32,029</b>
		-	-	-	-	32,029	<b>32,029</b>
<b>Accumulated Amortization, end of year</b>		10,838,449	135,988	309,992	11,625	5,084	<b>11,301,138</b>
<b>Tangible Capital Assets - Net</b>	<b>1,449,225</b>	<b>16,973,249</b>	<b>365,453</b>	<b>427,531</b>	<b>7,748</b>	<b>7,635</b>	<b>19,230,841</b>

# School District No. 84 (Vancouver Island West)

Schedule 4B (Unaudited)

Tangible Capital Assets - Work in Progress

Year Ended June 30, 2014

	Buildings	Furniture and Equipment	Computer Software	Computer Hardware	Total
	\$	\$	\$	\$	\$
<b>Work in Progress, beginning of year</b>		64,095			<b>64,095</b>
<b>Changes for the Year</b>					
Increase:					
Deferred Capital Revenue - Bylaw	2,540				<b>2,540</b>
	2,540	-	-	-	<b>2,540</b>
Decrease:					
Transferred to Tangible Capital Assets		64,095			<b>64,095</b>
	-	64,095	-	-	<b>64,095</b>
<b>Net Changes for the Year</b>	2,540	(64,095)	-	-	<b>(61,555)</b>
<b>Work in Progress, end of year</b>	<b>2,540</b>	-	-	-	<b>2,540</b>

# School District No. 84 (Vancouver Island West)

Deferred Capital Revenue  
Year Ended June 30, 2014

	Bylaw Capital	Other Provincial	Other Capital	Total Capital
	\$	\$	\$	\$
<b>Deferred Capital Revenue, beginning of year</b>	13,755,983			13,755,983
<b>Changes for the Year</b>				
Increase:				
Transferred from Deferred Revenue - Capital Additions	398,952			398,952
Transferred from Work in Progress	64,095			64,095
	<u>463,047</u>	-	-	<u>463,047</u>
Decrease:				
Amortization of Deferred Capital Revenue	528,264			528,264
	<u>528,264</u>	-	-	<u>528,264</u>
<b>Net Changes for the Year</b>	<u>(65,217)</u>	-	-	<u>(65,217)</u>
<b>Deferred Capital Revenue, end of year</b>	<u>13,690,766</u>	-	-	<u>13,690,766</u>
<b>Work in Progress, beginning of year</b>	64,095			64,095
<b>Changes for the Year</b>				
Increase				
Transferred from Deferred Revenue - Work in Progress	2,540			2,540
	<u>2,540</u>	-	-	<u>2,540</u>
Decrease				
Transferred to Deferred Capital Revenue	64,095			64,095
	<u>64,095</u>	-	-	<u>64,095</u>
<b>Net Changes for the Year</b>	<u>(61,555)</u>	-	-	<u>(61,555)</u>
<b>Work in Progress, end of year</b>	<u>2,540</u>	-	-	<u>2,540</u>
<b>Total Deferred Capital Revenue, end of year</b>	<u>13,693,306</u>	-	-	<u>13,693,306</u>

# School District No. 84 (Vancouver Island West)

Changes in Unspent Deferred Capital Revenue

Year Ended June 30, 2014

	Bylaw Capital	MEd Restricted Capital	Other Provincial Capital	Land Capital	Other Capital	Total
	\$	\$	\$	\$	\$	\$
<b>Balance, beginning of year</b>	1,038,249	105,202				<b>1,143,451</b>
<b>Changes for the Year</b>						
Increase:						
Provincial Grants - Ministry of Education	296,324					<b>296,324</b>
Investment Income		526				<b>526</b>
	296,324	526	-	-	-	<b>296,850</b>
Decrease:						
Transferred to DCR - Capital Additions	398,952					<b>398,952</b>
Transferred to DCR - Work in Progress	2,540					<b>2,540</b>
	401,492	-	-	-	-	<b>401,492</b>
<b>Net Changes for the Year</b>	<b>(105,168)</b>	<b>526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104,642)</b>
<b>Balance, end of year</b>	<b>933,081</b>	<b>105,728</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,038,809</b>